

PART 2000 - GENERAL

Subpart PPP - Cooperative Agreement between the National Association of  
Government Guaranteed Lenders, Inc., and the United States  
Department of Agriculture Rural Business-Cooperative Service

§ 2000.3351 General.

The Rural Business-Cooperative Service (RBS) has entered into a Cooperative Agreement with the National Association of Government Guaranteed Lenders, Inc., to provide a forum for Association members who participate in the Business and Industry (B&I) Guaranteed Loan Program to periodically provide feedback and suggestions for improving the B&I Guaranteed Loan Program. In addition, the Agency has an interest in partnering with private sector organizations, such as the Association, in providing business and economic opportunities to rural communities and residents, and the Association has lender members throughout the United States who make loans to businesses and agricultural cooperative organizations. The Agency and the Association believe it would be mutually advantageous to provide a forum for Association members who participate in the B&I Guaranteed Loan Program to periodically provide feedback and suggestions for improving the program.

§ 2000.3352 Responsibilities.

This Cooperative Agreement enables the parties to work together to encourage lender members to provide business financing in rural areas in order to bring economic opportunities to under-served rural residents, minority and women-owned businesses, and businesses that support small and limited resources farmers. The parties will work together to identify ways for improving delivery of the B&I Guaranteed Loan Program, including efficient customer service.

§ 2000.3353 Implementation.

The Cooperative Agreement is attached as Exhibit A and includes information on the specific cooperative activities which fall to both parties.

§§ 2000.3354 - 2000.3400 [Reserved]

Attachment: Exhibit A

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DISTRIBUTION: WSDC

Administration  
General

**COOPERATIVE AGREEMENT NO. RBS-00-**  
**between**  
**THE NATIONAL ASSOCIATION OF GOVERNMENT**  
**GUARANTEED LENDERS, INC.**  
**(Association)**  
**and the**  
**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**RURAL BUSINESS-COOPERATIVE SERVICE**  
**(Agency)**

- 1. NAME OF PROJECT:** Improving the Rural Business-Cooperative Service Business and Industry Guaranteed Loan Program
- 2. OBJECTIVES:** To provide a forum for Association members who participate in the B&I Guaranteed Loan Program to periodically provide feedback and suggestions for improving the B&I Guaranteed Loan Program.
- 3. STATEMENT OF WORK:** See Attachment 1 - "Statement of Work;" also see Attachment 2 - "Additional Statement of Agreement."
- 4. LEGAL AUTHORITY:** 7 U.S.C. §2204b(b)(4).
- 5. EFFECTIVE DATES:** All conditions and provisions of this Cooperative Agreement shall become effective upon execution and shall continue in force until completion of the project but not later than October 1, 2003, at which time, or prior thereto, the parties may renew this Cooperative Agreement by further written agreement.
- 6. APPROVALS:** The parties hereby certify that they have authority to enter into this Cooperative Agreement.
- 7. AMENDMENTS:** This Cooperative Agreement may be amended by written agreement of the parties.

**THE NATIONAL ASSOCIATION OF GOVERNMENT GUARANTEED  
LENDERS, INC.**

|                |   |
|----------------|---|
| <u>9/27/00</u> | <u>/S/</u>  |
| Date           | ANTHONY R. WILKINSON, President and CEO<br>The National Association of Government Guaranteed<br>Lenders, Inc. |

**UNITED STATES DEPARTMENT OF AGRICULTURE**

|                |  |
|----------------|--|
| <u>9/27/00</u> | <u>/S/</u>   |
| Date           | JILL LONG THOMPSON, Under Secretary<br>Rural Development |

**ATTACHMENT 1 - "STATEMENT OF WORK"**

WHEREAS, the Agency administers a Business and Industry (B&I) Guaranteed Loan Program to help create jobs and stimulate rural economies by providing financial assistance to rural businesses and agricultural cooperative organizations; and

WHEREAS, the B&I Guaranteed Loan Program is delivered by the Rural Business-Cooperative Service (RBS) through 47 Rural Development State Offices and a network of other field offices; and

WHEREAS, the Agency has an interest in partnering with private sector organizations, such as the Association, in providing business and economic opportunities to rural communities and residents; and

WHEREAS, the Association is a not-for-profit corporation, incorporated and operating under the laws of the State of California, with a principal place of business in Stillwater, Oklahoma, as a national association of lenders; and

WHEREAS, the Association has lender members throughout the United States who make loans to businesses and agricultural cooperative organizations, which are guaranteed by the Agency; and

WHEREAS, the parties believe it would be mutually advantageous to provide a forum for Association members who participate in the B&I Guaranteed Loan Program to periodically provide feedback and suggestions for improving the program;

NOW THEREFORE; the parties agree that the they will each perform the following work:

**1. General Cooperation**

The parties will work together to encourage lender members to provide business financing in rural areas, through the B&I Guaranteed Loan Program, in order to bring economic opportunities to under served rural residents (such as those in areas of persistent poverty or declining population, affected by natural disasters or Federal actions), areas designated by the Government as priority areas and economic zones (including Empowerment Zones, Enterprise Communities, and Rural Economic Area Partnerships), minority and women-owned businesses, and businesses that support small and limited resources farmers. The parties will work together to identify ways for improving delivery of the B&I Guaranteed Loan Program, including efficient customer service.

## **2. Credit Training for Agency Personnel**

Recognizing that the Agency has very limited financial resources to provide credit training to its rural development personnel and that the Agency desires a more uniform and consistent credit analysis and decisions, the Association will work with the Agency to provide credit training to its Rural Development personnel. This training shall consist of at least one training seminar per year, commencing in Fiscal Year (FY) 2001. If requested and agreed to in writing by the Association, the Association will also provide additional regional seminars in areas of particular identified need.

## **3. B&I Training for Lenders**

The parties will work together to provide training on B&I Guaranteed Loan Program requirements to Association lenders in conjunction with its annual or semi-annual meetings. This training shall commence in FY 2001 and is to emphasize the operating procedures and regulations of the B&I Guaranteed Loan Program.

## **4. Association Communications**

The Association will utilize its meetings, newsletters, and other communications with its membership to encourage participation in the B&I Guaranteed Loan Program, in order to assist the Agency in meeting credit needs of the under-served residents described in the first paragraph.

## **5. RBS Input**

The Agency will provide personnel to participate in the Association's annual and semi-annual meetings.

## **6. B&I Lender Experiences**

At the Association's annual and semi-annual meetings, the Association will schedule a meeting with the Agency to discuss how to make the B&I Guaranteed Loan Program more effective. These meetings are not intended to solicit, develop, or present any consensus, advice, or recommendations.

**ATTACHMENT 2 - "ADDITIONAL STATEMENT OF AGREEMENT."**

**I. INTRODUCTION:** The Agency and Association employees conducting activities under terms of this Cooperative Agreement shall be as follows:

- A. For the Association - Personnel of the Association as required. Anthony R. Wilkinson will serve as project leader for the Association. Notice to the Association can be sent to the project leader at P.O. Box 332, Stillwater, Oklahoma 74076.
- B. For the Agency - Personnel of the Agency, as required. William F. Hagy III, Deputy Administrator, Business Programs, shall be project coordinator for the Agency.

**II. RESPONSIBILITIES:**

- A. The Association will:
1. Complete the work stated in Attachment 1.
  2. Keep up-to-date records on the project and prepare an annual report, detailing all work done and the results accomplished, which will be provided to the Agency. The annual report will be delivered to the Agency within sixty (60) days of the end of the fiscal year.
- B. The Agency will:
1. Monitor the project as it is being developed.
  2. Halt activity, after written notice, if tasks are not met.
  3. Collaborate with staff of the Association in activities involving improving the B&I Guaranteed Loan Program.
  4. Jointly collaborate and participate in every aspect of the project.
  5. Identify Agency points of contact to address program questions.

C. It is mutually understood and agreed that:

1. The study, analysis, and evaluation of the B&I Guaranteed Loan Program is the responsibility of the Association.
2. Unpublished confidential data or information obtained during the course of this project shall not be made available to other persons except as authorized by or required of the Agency by the Freedom of Information Act and the Privacy Act.
3. Both the Agency and the Association will be responsible for any expenses incurred as a result of the activities identified in Attachment I, Statement of Work.
4. This Cooperative Agreement may be amended at any time by mutual agreement of the parties in writing, or terminated by either party upon 30 days notice in writing to the other party.

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